

BofA the 'good guys' for Delancey St. loan

Despite public relations campaigns that depict them as nice guys, bankers are still widely regarded as inflexible skinflints eager for the next crop failure so they can rob Ma and Pa Kettle of the old homestead.

So when Bank of America recently came to the rescue of Delancey Street Foundation — the non-profit rehabilitation and re-training organization for ex-convicts, former drug users and the hardcore unemployables — it turned some heads.

BofA had the moxie to make a loan that three other banks — 1st Nationwide Bank, Union Bank and Wells Fargo — had cowered from. In what was regarded as an unconventional decision, BofA loaned Delancey Street \$10 million to help the organization complete its \$31 million mixed-use headquarters building near the Embarcadero.

WHILE BANKS WILL continue to sink millions of dollars into their public images, BofA should be commended for its real-life decision to assist an organization worthy of consideration. In essence, this is a bank that has taken the opportunity to put its money where its mouth is and demonstrate a commitment to the community.

Officials at BofA and Delancey Street agree that little risk was involved in making the loan. With \$18 million in assets, Delancey Street has had an excellent financial record since its founding 18 years ago.

All that was required was some hard work examining Delancey Street's financial records and a little imagination.

"BofA had to be willing to take some time with us," says Dr. Mimi Silbert, foundation president. "We don't fit the picture of a typical developer building a development."

Indeed, Delancey Street — which takes pride in never having taken a cent of government money — supports itself through a variety of business ventures, private grants and donations. Nationally, the foundation is helping 700 persons integrate into society. Roughly 350 of those people are here in San Francisco — and that capacity for help will double with the new headquarters facility.

WELLS FARGO WAS among the banks that turned down Delancey Street's loan request, although Wells had been Delancey Street's bank since the foundation's inception.

In disregarding its responsibility to its customer, Wells Fargo missed an excellent opportunity to boost its image. Silbert says she was "deeply disappointed" — so disappointed that she switched banks, to BofA.

Now, whether or not BofA's example of largess turns out to be a new standard for the banking industry remains to be seen.

Nevertheless, it's heartening to see the bank heeding the philosophy of its founder A.P. Giannini, who said, "As we serve, so shall we prosper."

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Delancey and Bank of America

HATS OFF TO BANK OF AMERICA FOR LENDING \$10 MILLION TO THE Delancey Street Foundation to complete its new building in San Francisco. Delancey Street has earned a reputation for rehabilitating drug abusers, ex-convicts and the hard-core unemployables.

The Delancey Foundation project is not a "bankable loan" in traditional banking terms. Just ask Wells Fargo, First Interstate and Union Bank, all of which turned down the loan package.

But this project is an important one. Bank of America has made plenty of bad loans over the years, and it deserves credit for going out of its way to make this good one.